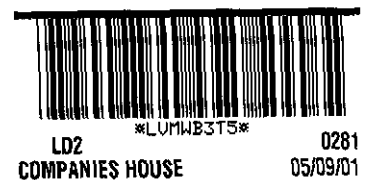


LEWIS TYLER & SONS (FENCING) LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2000

Company No. 1238308



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LEWIS TYLER & SONS (FENCING) LIMITED

COMPANY INFORMATION

Directors

A J Tyler
H E Tyler
I J Russell
J L Tyler
N C Tyler

Secretary

A J Tyler

Company Number

1238308

Registered Office

Estate Sawmill
Mill Green
Hatfield
Herts
AL9 5PG

Auditors

MacIntyre Hudson
Greenwood House
4/7 Salisbury Court
London
EC4Y 8BT

LEWIS TYLER & SONS (FENCING) LIMITED

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The following pages do not form part of the statutory accounts:

Management Profit and Loss Account	13 to 14
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LEWIS TYLER & SONS (FENCING) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2000

The directors present their report together with the audited accounts for the year ended 31st December 2000.

Principal Activities and Review of Business

The company's principal activity continued to be that of the manufacture, sale and erection of fencing.

Results and Dividends

The results for the year are set out in the profit and loss account on page 4.

The directors consider the state of the company's affairs to be satisfactory and envisage that the company will continue to trade profitably for the foreseeable future.

Dividends

The directors recommend dividends amounting to £2,790 (1999 £2,790).

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary Shares	
	31st December 2000	1st January 2000
A J Tyler	11,120	11,120
H E Tyler	1,120	1,120
I J Russell	1,120	1,120
J L Tyler	1,120	1,120
N C Tyler	1,120	1,120

Political and Charitable Contributions

During the year the company made the following political and charitable contributions:

	£
Other Charitable Contributions	126

LEWIS TYLER & SONS (FENCING) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2000

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing these accounts the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board on 24 August 2001, and signed on its behalf.



A J Tyler
Secretary

AUDITORS' REPORT TO THE

SHAREHOLDERS OF LEWIS TYLER & SONS (FENCING) LIMITED

We have audited the accounts on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and report our opinion to you.

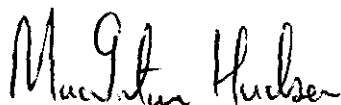
Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MacIntyre Hudson
Chartered Accountants and Registered Auditors
Greenwood House
4/7 Salisbury Court
London
EC4Y 8BT
Date: 24 August 2001

LEWIS TYLER & SONS (FENCING) LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31ST DECEMBER 2000**

	Notes	2000 £	1999 £
Turnover	2	3,194,671	2,863,506
Cost of Sales		2,400,095	2,104,329
Gross Profit		794,576	759,177
Administrative Expenses		613,956	623,397
Operating Profit	3	180,620	135,780
Interest Receivable		3,346	400
Interest Payable and Similar Charges	4	(17,026)	(4,353)
Profit on Ordinary Activities before Taxation		166,940	131,827
Tax on profit on ordinary activities	6	27,837	28,358
Profit for the Financial Year		139,103	103,469
Dividends	7	2,790	2,790
Retained Profit for the Year	15	136,313	100,679
Retained Profit Brought Forward		519,011	418,332
Retained Profit Carried Forward		655,324	519,011

All amounts relate to continuing activities.

There were no recognised gains or losses for 2000 or 1999 other than those included in the profit and loss account.

LEWIS TYLER & SONS (FENCING) LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 2000

	Notes	£	2000 £	£	1999 £
Fixed Assets					
Tangible assets	8		285,536		153,482
			<u>285,536</u>		<u>153,482</u>
Current Assets					
Stocks	9	326,931		301,396	
Debtors	10	428,014		407,761	
Cash at bank and in hand		222,372		136,073	
			<u>977,317</u>	<u>845,230</u>	
Creditors: Amounts Falling Due Within One Year	11	463,853		434,517	
Net Current Assets			<u>513,464</u>		<u>410,713</u>
Total Assets Less Current Liabilities			<u>799,000</u>		<u>564,195</u>
Creditors: Amounts Falling Due After More Than One Year	12		119,674		21,182
			<u>679,326</u>		<u>543,013</u>
Capital and Reserves					
Share capital	14		15,600		15,600
Share premium account	15		8,402		8,402
Profit and loss account	15		655,324		519,011
Shareholders' Funds	16		<u>679,326</u>		<u>543,013</u>

These accounts were approved by the board on 24 August 2001 and signed on its behalf.

A J Tyler

A J Tyler
Director

LEWIS TYLER & SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land over their expected useful lives. The rates and periods generally applicable are:

Plant and machinery	20% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	20% reducing balance

Leasehold properties and improvements have been amortised over the remaining terms of the leases.

Stocks

Stock and work in progress are valued at the lower of cost or net realisable value.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

Contribution to Pension Funds

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

LEWIS TYLER & SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Operating Profit

The operating profit is arrived at after charging or crediting:

	2000	1999
	£	£
Depreciation of owned assets	80,116	39,983
Hire of equipment - operating leases	32,228	40,389
Hire of equipment - operating leases - land and buildings	73,613	114,830
Auditors' remuneration	9,500	9,000

4 Interest Payable and Similar Charges

	2000	1999
	£	£
Bank overdrafts and loans	6,176	3,521
Finance leases and hire purchase contracts	10,850	832
	17,026	4,353

LEWIS TYLER & SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

5 Directors and Employees

Staff costs, including directors' remuneration, were as follows:

	2000	1999
	£	£
Wages and salaries	617,436	538,226
Social security costs	56,161	65,710
Other pension costs	5,394	3,086
Other costs	86,073	73,714
	<u>765,064</u>	<u>680,736</u>

The average monthly number of employees, including directors, during the year was as follows:

	2000	1999
	Number	Number
Average number of employees	30	29
	<u>30</u>	<u>29</u>

Directors' emoluments

	2000	1999
	£	£
Emoluments	186,687	163,667
Directors' pension contributions under defined contribution schemes	5,394	3,086
	<u>192,081</u>	<u>166,753</u>

Retirement benefits were accruing to directors under schemes as follows:-

	2000	1999
	Number	Number
Defined contribution schemes	1	1
	<u>1</u>	<u>1</u>

6 Taxation

	2000	1999
	£	£
Based on the profit for the year		
UK corporation tax	27,837	28,358
	<u>27,837</u>	<u>28,358</u>

7 Dividends

	2000	1999
	£	£
Ordinary dividends - proposed	2,790	2,790
	<u>2,790</u>	<u>2,790</u>

LEWIS TYLER & SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

8 Tangible Fixed Assets

	Leasehold Improve- ments	Short Leasehold Land and Buildings	Plant and Machinery	Motor Vehicles	Fixtures and Fittings	Total
Cost	£	£	£	£	£	£
At 1st January 2000	104,956	265	257,414	92,016	22,614	477,265
Additions	-	-	125,540	93,238	-	218,778
Disposals	-	-	-	(38,178)	-	(38,178)
At 31st December 2000	104,956	265	382,954	147,076	22,614	657,865
Depreciation						
At 1st January 2000	71,257	198	166,289	72,615	13,424	323,783
Charge for the year	8,424	13	43,333	26,508	1,838	80,116
Disposals	-	-	-	(31,570)	-	(31,570)
At 31st December 2000	79,681	211	209,622	67,553	15,262	372,329
Net Book Value						
At 31st December 2000	25,275	54	173,332	79,523	7,352	285,536
<i>At 31st December 1999</i>	<i>33,699</i>	<i>67</i>	<i>91,125</i>	<i>19,401</i>	<i>9,190</i>	<i>153,482</i>

At 31 December 2000, assets held under finance leases and hire purchase contracts have a net book value of £155,057 (1999: £5,686), depreciation charged in the year was £44,776 (1999: £4,264).

9	Stocks	2000	1999
		£	£
	Work in progress	2,000	6,000
	Finished goods	324,931	295,396
		326,931	301,396
10	Debtors	2000	1999
		£	£
	Trade debtors	413,320	393,460
	Other debtors	3,200	1,180
	Prepayments and accrued income	11,494	13,121
		428,014	407,761

LEWIS TYLER & SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

11	Creditors: Amounts Falling Due Within One Year	2000	1999
		£	£
	Bank loans and overdrafts	45,861	76,040
	Obligations under hire purchase and finance lease contracts (Note 13)	45,627	1,160
	Trade creditors	223,696	242,929
	Corporation tax	27,837	28,359
	Other taxes and social security	38,765	12,239
	Proposed dividends	2,790	2,790
	Other creditors	49,000	45,000
	Directors' loan accounts	17,200	17,000
	Accruals and deferred income	13,077	9,000
		<u>463,853</u>	<u>434,517</u>

The bank overdrafts are secured by a personal guarantee limited to £50,000 given by A J Tyler and a fixed and floating charge over the assets of the company.

12	Creditors: Amounts Falling Due After One Year	2000	1999
		£	£
	Bank loans	15,322	21,182
	Obligations under hire purchase and finance lease contracts (Note 13)	104,352	-
		<u>119,674</u>	<u>21,182</u>

13	Obligations Under Hire Purchase and Finance Leases	2000	1999
		£	£
	Obligations under finance leases and hire purchase contracts are analysed:		
	Current obligations	45,627	1,160
	Obligations due between one and five years	104,352	-
		<u>149,979</u>	<u>1,160</u>

14	Share Capital	2000	1999
		£	£
	Authorised Equity Shares		
	25,000 Ordinary shares of £1.00 each	25,000	25,000
		<u>25,000</u>	<u>25,000</u>
	Allotted Equity Shares		
	15,600 Allotted, called up and fully paid ordinary shares of £1.00 each	15,600	15,600
		<u>15,600</u>	<u>15,600</u>

LEWIS TYLER & SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

15 Reserves

	Share Premium Account	Profit and Loss Account
	£	£
At 1st January 1998	8,402	418,332
Profit for the year	-	100,679
At 1st January 2000	8,402	519,011
Profit for the year	-	136,313
At 31st December 2000	8,402	655,324

16 Reconciliation of Shareholders' Funds

	2000	1999
	£	£
Profit for the financial year	139,103	103,469
Dividends	(2,790)	(2,790)
Increase in the shareholders' funds	136,313	100,679
Opening shareholders' funds	543,013	442,334
Closing shareholders' funds	679,326	543,013

17 Operating Lease Commitments

At 31 December 2000 the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings		Other	
	2000	1999	2000	1999
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	468	2,559
Between two and five years	80,000	52,000	3,264	8,880
	80,000	52,000	3,732	11,439

18 Related Parties

The company is controlled by its directors as disclosed in the directors report.

Included in creditors due within one year is a loan from a director, AJ Tyler of £17,200 (1999: £17,000). The company paid interest of £4,026 (1999 : £1,893) on that loan.

LEWIS TYLER & SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

The company paid the following dividends to related parties during the year:-

	2000	1999
	£	£
AJ Tyler	1,989	1,789
HE Tyler	201	201
NC Tyler	200	200
EA Tyler (resigned 30 April 1999)	-	200
JL Tyler	200	200
IJ Russell	200	200
	<u>2790</u>	<u>2,790</u>